(b) and (c) At present, three Foreign Institutional Investors of Credit Suisse Group are registered with SEBI and can trade in the market.

**Banking facilities through mobile banks in rural areas**

2917. MS. PRAMILA BOHIDAR:
SHRI B.J. PANDA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government propse to provide banking facilities in rural areas through mobile banks in the country; and

(b) if so, the details thereof indicating the areas which are proposed to be covered in Orissa under the above project?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Reserve Bank of India (RBI) has reported that under the extant Branch Authorisation Policy, banks are encouraged to open branches in rural and under-banked areas. It is left to the banks to decide whether they want to open branches or mobile offices. RBI, while considering applications for opening branches gives weightage to the nature and scope of banking facilities provided by banks to common persons, particularly in rural and under-banked areas. The choice of the location of the branch and the nature of services offered is left to the discretion of the banks. RBI has not received any proposals from banks for opening of mobile offices in the State of Orissa.

**New branches of UCBs in Uttaranchal**

2918. SHRI RAJ NATH SINGH:
SHRI KAMAL AKHTAR:

Will the Minister of FINANCE be pleased to state:

(a) whether RBI's Working Group on Improvement of Banking Services in Uttaranchal have recommended that Urban Co-operative Banks presently in satisfactory financial health be permitted to expand their areas of operations in the State through more branches, permitted opening currency chests, conduct foreign exchange business and be made members of various fora (SLBC, DCC, etc.) under the Lead Bank Scheme;

(b) whether the RBI has examined and accepted these recommendations;

(c) if so, the action taken thereon and the details of the new branches allowed to UCBs, bank-wise; and

(d) if not, the reasons for not accepting the recommendations of its own committee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir.

(c) and (d) Reserve Bank of India's Annual Policy Statement, for the year 2004-05, refers to the issuance of fresh licence to UCB Sector. It stipulates that in order to make this Sector strong, healthy and stable, fresh licences will be issued only after a comprehensive policy on UCBs, including an appropriate legal and regulatory framework for the sector, is put in place. In accordance with the announcement, any fresh proposal for organization of new UCBs or for conversion of cooperative credit societies into UCBs is to be considered only after the situation is reviewed and a fresh announcement is made by Reserve Bank of India (RBI) in this regard. As a first step, in view of the regulatory co-ordination brought about through signing of MoUs with State Governments and based on the positive experience of the Task Force for Urban Cooperative Banks (TAFCUBs), it was stated in the Mid-term Review, to allow financially sound UCBs registered in States that have signed MoU with the Reserve Bank of India and those registered under the Multi-State Co-operative Societies Act, 2002 to convert existing extension counters into full fledged branches subject to certain conditions. Guidelines in this regard have been issued to UCBs on November 13, 2006. State Government of Uttaranchal has also entered into MoU with RBI.

For new branches/licences, RBI has informed that only upon completion of review of each State in regard to the progress of restructuring of UCBs, it would permit new branches/licences.

**System of overall borrowing ceilings**

2919. SHRI KALRAJ MISHRA:
SHRI SANTOSH BAGRODIA:

Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal for indicating system of overall borrowing